

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED

CIN - L74140PN1982PLC026933

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS

BRIEF PROFILE

Our Company was formed as a technical consultancy organisation in the year 1982 by various banks, financial institutions and state government development corporations and has gained proficiency in providing corporate solutions, consultancy and engineering services to various sectors like power generation, energy efficiency, renewable energy, climate change and environmental management. The Company is also undertakes EPC work of solar power projects. We are headquartered at Pune, Maharashtra and have presence across the country through our regional offices at Mumbai, New Delhi, Ahmedabad, Chennai, Bangalore, Amravati, Nanded and Nagpur. Our shareholders include nationalized banks, venture capital funds, financial institutions and state government development corporations. The equity shares of our Company were listed on NSE (EMERGE) in the year 2013.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES :

1.1 Basis of preparation of financial statements :

- a) These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention. The financial statements have been prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules 2016 and the relevant provisions of the Companies Act, 2013.
- b) The Company follows mercantile system of accounting and recognises income and expenditure on accrual basis except for those items with significant uncertainties. The accounting policies applied are consistent with those used in the previous year.

1.2 Revenue Recognition :

- A Revenue from Consultancy / Project Services / Incubation / Environment Laboratory Services is recognised as per the terms of the specific contracts / work orders over time by measuring progress towards satisfaction of performance obligations for the services rendered.
- B Revenue from training programs is accounted as follows :
 - i) Fees from the participants are accounted based on percentage completion of tenure of training program.
 - ii) Revenue from Government sponsored training programs is recognized on completion of training program.
 - iii) Revenue from training activities conducted on behalf of Maharashtra Knowledge Corporation Limited (MKCL), being not reasonably determinable, is recognised on receipt basis (See note 36).
- C Revenue from Wind energy generation is recognised based on units generated. (Net of rebate)
- D Interest income is recognised on a time proportion basis.
- E Dividend income is recognised only when the company's right to receive the dividend is established.
- F Lease rented income is accounted on straight line basis over the lease terms.

1.3 Use of Estimates :

Estimates and assumptions used in the preparation of the financial statements are based on management's evaluation of the relevant facts and circumstances as of date of the Financial Statements, which may differ from the actual results at a subsequent date. Any revision to accounting estimates is recognized prospectively in current and future period.

1.4 Property, Plant & Equipment and Intangible Assets :

- i) The company has adopted Cost Model to measure the gross carrying amount of fixed assets.
- ii) Tangible Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes the purchase price and all other attributable costs incurred for bringing the asset to its working condition for intended use.
- iii) Intangible assets are stated at the consideration paid for acquisition and customisation thereof less accumulated amortisation.
- iv) Assets under construction or pending installation not yet ready for intended use are classified as Capital Work in Progress(CWIP).
- v) Cost of Intangible Assets not ready for use before the balance sheet date is disclosed as Intangible Assets under Development.

1.5 Depreciation / Amortisation :

- i) Depreciation on tangible fixed assets has been provided on straight line method over the estimated useful life of the asset in the manner prescribed in Schedule II of the Companies Act, 2013, except in the case of Wind Turbine Generator which is depreciated over 20 years as per technical evaluation by manufacturer
- ii) Intangible asset being cost of Software capitalised is amortised over a period of three years.
- ii) Residual value for all tangible assets except freehold land is considered @1% of cost.

1.6 Impairment of Assets :

An asset is treated as impaired when the carrying cost of an asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior period is reversed if there has been a change in the estimate of the recoverable amount.

1.7 Government Grants and Subsidies :

Government grants in the nature of promoters' contribution are credited to Capital Grants under Reserves and Surplus and treated as a part of shareholders' funds. Utilisation thereof is as per covenants of grants received.

Such grants are reduced to the extent of utilisation thereof and depreciation charged and loss on sale or discard of fixed assets purchased there from.

Balance remaining in the Grant after completion of its intended purpose, is transferred to General Reserve. (Grant repayable on Demand shown as current liability)

1.8 Operating Lease :

Operating lease payments are recognized as an expense in the Statement of Profit and Loss and Operating lease receipts are recognized as an income in the Statement of Profit and Loss.

1.9 Investments :

- i) Long term investments are stated at cost. Provision for diminution in the value of long-term investment is made only if such decline is other than temporary.
- ii) Current investments are stated at lower of cost or market value. The determination of carrying amount of such investment is done on the basis of specific identification.

1.10 Retirement Benefits :

- a) Short Term Employee Benefits :

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

- b) Employment Benefits :

- i) Defined Contribution Plans:

The company has Defined Contribution Plans for post employment benefit in the form of Provident Fund / Pension Fund which are administered by the Regional Provident Fund Commissioner. Provident Fund / Pension Fund are classified as defined contribution plans as the company has no further obligation beyond making contributions. The company's contributions to defined contribution plans are charged to the Statement of Profit and Loss as and when incurred.

- ii) Defined Benefit Plans:

- a) Funded Plan:

The company has defined benefit plan for post employment benefit in the form of gratuity for the employees which are administered through Life Insurance Corporation of India. Liability for the said defined plan is provided on the basis of valuation as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit Method.

- b) Non Funded Plan:

The company has defined benefit plan for the employment benefit in the form of leave encashment for the employees. Liability for above defined benefit plan is provided on the basis of the valuation as at the Balance Sheet date carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit Method.

- iii) The actuarial gains and losses arising during the year are recognized in the Statement of Profit and Loss for the year without resorting to any amortization.

1.11 Income Tax :

- a) Current Taxation:

Provision for current tax is made on the basis of taxable profits computed for the current accounting period in accordance with provisions of the Income Tax Act, 1961.

Provision is made for income Tax annually, based on the tax liability computed after considering tax allowances and exemptions.

b) Deferred Tax :

Deferred tax is recognised, subject to consideration of prudence in respect of deferred tax assets, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantially enacted at the balance sheet date.

1.12 Earnings Per Share :

Earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

1.13 Foreign Currency Transaction :

a) Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) Exchange Differences:

Exchange differences arising on the settlement of foreign currency transactions are recognised as income or as expense in the year in which they arise.

1.14 Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- a) the Company has a present obligation as a result of a past event,
- b) a probable outflow of resources is expected to settle the obligation; and
- c) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent Liability is disclosed in case of

- a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligations;
- b) a present obligation arising from past events, when no reliable estimate is possible; and
- c) a possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent Assets are neither recognised , nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance sheet date.

1.15 Segment Reporting :

The company identifies primary segments based on the dominant source, nature of risks, returns and the internal organization structure. The operating segments are the segments for which separate financial information is available and for which operating Profit/Loss amounts are evaluated regularly by the Management in deciding how to allocate resource and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

1.16 Cash Flow Statement :

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals of past or future cash receipts and payments. The cash flows from regular operating, investing and financing activities of the company are segregated.

1.17 Dividend

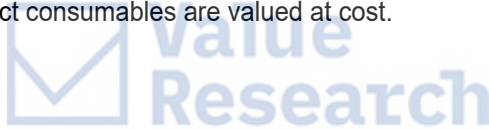
Dividend is recognised as liability in the period in which it is declared by the Company (usually when approved by shareholders in General Meeting) or paid and hence not recognised as liability.

1.18 Borrowing cost

Borrowing cost includes interest, amortisation of ancillary cost incurred in connection with the arrangement of borrowing and exchange differences arising from foreign currency borrowing to the extent they are regarded as an adjustment to the interest cost.

Borrowing cost , if any, directly attributable to the acquisition , construction or production of an assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised, if any. All other borrowing cost are expensed in the period in which they occurred.

1.19 The inventory of the project consumables are valued at cost.



MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 2 - SHARE CAPITAL

Particulars	As at	As at
	31 st March 2020	31 st March 2019
	INR	INR
Authorised: 25,000,000 Equity Shares of INR 10/- each.	250,000,000	250,000,000
Issued, Subscribed and Paid up: 13,421,526 (PY 12,00,000) Equity Shares of INR 10/- each fully paid .	134,215,260	121,000,000
Total	134,215,260	121,000,000

Notes:

a) Reconciliation of the no. of shares :

Particulars	As at		As at	
	31 st March 2020		31 st March 2019	
	No of shares	Amount	No of shares	Amount
No of fully paid Equity shares outstanding at the beginning of the year.	12,100,000	121,000,000	12,100,000	121,000,000
Add: Issued during the year *	1,321,526	13,215,260	--	--
No of Equity shares outstanding at the end of the year.	13,421,526	134,215,260	12,100,000	121,000,000

*** - Note**

During the year, the Company has issued and allotted 1,321,526 Equity Shares of the company having face value of INR 10/- each fully paid at a premium of INR 42/- each for consideration other than cash by way of preferential allotment to the shareholders of Shrikhande Consultants Pvt Ltd. Mumbai (SCPL). (Refer NOTE 43).

b Rights, preferences and restrictions attached to shares:

The company has one class of equity shares having a par value of INR 10/- per share. Each equity holder is entitled to one vote per share and have a right to receive dividend rank pari passu as recommended by Board of Directors subject to necessary approval from the shareholders in the ensuing Annual General Meeting. The company declares and pays dividend in Indian Rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Number of fully paid Equity shares held by each shareholder holding more than 5% shares in the company are as follows:

Name of Shareholders	Number of Equity Shares as at 31 st March, 2020	Percentage held	" Number of Equity Shares as at 31 st March, 2019 "	Percentage held
1) SIDBI Trustee Company Limited A/c India Opportunities Ltd	1,638,000	12.20%	1,638,000	13.54%
2) ACAIPL Corporate Advisors (India) Private Limited	1,000,000	7.45%	1,000,000	8.26%
3) Beesley Consultancy Private Limited	925,068	6.89%	-	0%
4) Mukul Mahavir Prasad Agrawal	752,000	5.60%	752,000	6.2%

The Board of Directors at its meeting held on 29th July, 2020 have recommended a payment of final dividend of INR Paise 20 only (INR1/-) per equity share of the face value of INR 10/- each for the financial year ended 31st March, 2020 if approved.



MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 3 - RESERVES AND SURPLUS

Particulars	INR.	As at 31 st March 2020 INR	As at 31 st March 2019 INR
Capital Grants :			
Capital Grant from :			
1) Ministry of Food Processing Industry, Govt. of India	--		3,810
For setting up Food Processing Training Centre			
Less : Depreciation fund for the year	--		3,810
Closing Balance		--	--
2) Grant received from MSME under ASPIRE			
Opening Balance	1,403,950		1,992,514
Less : Depreciation fund for the year	588,564		588,564
Closing Balance		815,386	1,403,950
Securities Premium :			
Opening Balance	173,557,818		
Add: Transferred during the year	55,504,092		
		229,061,910	173,557,818
General Reserve:			
Opening Balance		91,276,262	91,276,262
Surplus in Statement of Profit & Loss			
Opening Balance	557,791,700		541,027,055
Less: Dividends(see NOTE 42)	12,100,000		12,100,000
Less: Dividend distribution tax	2,487,190		2,476,941
Add: Profit for the year	40,611,149		31,341,586
Closing Balance		583,815,659	557,791,700
Total		904,969,217	824,029,730

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 4 - LONG TERM BORROWINGS

Particulars	As at 31 st March 2020 INR	As at 31 st March 2019 INR
Term Loan : Secured a) Loan against property # A) from Banks	66,307,578	86,419,195
Total	66,307,578	86,419,195

# Term Loan - Nature of Security	Terms of Repayment
Loan against property from a Bank, Total balance outstanding of INR 69,160,146/- is secured by mortgage of office premises of the Company at Kubera Chambers, Shivajinagar, Pune.	<p>1) Repayment of principle loan of INR 7 crore @ 9.50% p.a.- in 180 equated monthly installments starting from 5th December, 2018, last installment due on 5th November, 2033 .</p> <p>2) Repayment of principle loan of INR 2 crore @ 10.55% /p.a. in 180 equated montly installment of INR221701/- starting from 5th April 2019, partly repaid during the year and rescheduled last installment is due on 5th June, 2020.</p>

NOTE 5 - DEFERRED TAX

(i) Break up of Deferred Tax Liability as at year end :

Nature of timing difference	As at 31 st March 2020 INR	As at 31 st March 2019 INR
Difference in Provision for Depreciation and Amortisation	15,899,568	15,554,617
Total	15,899,568	15,554,617

(ii) Break up of Deferred Tax Asset as at year end:

Nature of timing difference	As at 31 st March 2020 INR	As at 31 st March 2019 INR
Provision for Leave encashment / gratuity / doubtful debts	2,709,065	4,313,091
Total	2,709,065	4,313,091

(iii) Deferred Tax Liability (net)	13,190,503	11,241,526
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MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 6 - OTHER LONG TERM LIABILITIES

Particulars	As at 31 st March 2020 INR	As at 31 st March 2019 INR
Retention money from vendors	1,107,858	3,992,242
Security deposit (from a related party)	10,000,000	10,000,000
Total	11,107,858	13,992,242

NOTE 7 - LONG TERM PROVISIONS

Particulars	As at 31 st March 2020 INR	As at 31 st March 2019 INR
Provision for Leave Encashment , Gratuity and Super Annuation or Employee benefits expenses	4,787,364	5,706,360
Total	4,787,364	5,706,360

NOTE 8 - TRADE PAYABLES

Particulars	As at 31 st March 2020 INR	As at 31 st March 2019 INR
Trade Payables		
i) total outstanding dues to Micro Enterprises and Small enterprises	1,070,801	1,209,067
ii) total outstanding dues to creditors other than Micro Enterprises and Small enterprises		
To Related party	60,134	7,464,368
To Others	117,870,235	68,555,611
Total	119,001,170	77,229,046

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 9 - OTHER CURRENT LIABILITIES

Particulars	As at 31 st March 2020 INR	As at 31 st March 2019 INR
Other Payables		
a) Advance from Customers	3,123,637	5,258,029
b) Grant repayable on demand - Technology Development Board	4,909,125	4,820,317
c) Current Maturities of other long term debts #	2,852,568	2,865,198
d) Interest on loan accrued but not due	599,631	607,506
e) Provident and other funds payable	1,561,990	1,439,556
f) ESIC Payable	35,167	61,356
g) TDS & GST Payable	2,723,633	11,273,281
h) Security Deposits	3,894,228	2,824,379
Total	19,699,979	29,149,622

- For particulars of security and terms of repayment see NOTE 4

NOTE 10 - SHORT-TERM PROVISIONS

Particulars	As at 31 st March 2020 INR	As at 31 st March 2019 INR
Provision for Leave Encashment	4,217,195	8,497,109
Provision for Gratuity	5,276,503	3,170,388
Total	9,493,698	11,667,497

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
NOTE 11 - PROPERTY, PLANT AND EQUIPMENT

Particulars	TANGIBLE ASSETS										Total	
	Land - Freehold	Improve-ment to Leasehold Properties	Building #	Energy Audit Equip-ments	Furniture & Fixture	Vehicle	Office Equipment	Environ-ment & BT Equipments	Computer & Printers	Electrical Installa-tions & Equip-ments		Wind Power Project
COST												
As at April 1, 2018	200,000	12,084,654	173,101,958	13,578,302	36,569,114	6,502,423	31,390,097	12,796,638	40,164,159	13,151,657	41,982,900	381,521,902
Additions	--	--	2,838,710	67,386	543,050	59,979	167,327	--	443,334	--	--	4,119,786
Disposals / adjustments	--	--	--	--	26,301	--	468,112	--	1,935,266	--	--	2,429,679
Balance as at March 31, 2019	200,000	12,084,654	175,940,668	13,645,688	37,085,863	6,562,402	31,089,312	12,796,638	38,672,227	13,151,657	41,982,900	383,212,009
As at April 1, 2019	200,000	12,084,654	175,940,668	13,645,688	37,085,863	6,562,402	31,089,312	12,796,638	38,672,227	13,151,657	41,982,900	383,212,009
Additions	--	--	--	7,000	8,700	--	149,165	157,300	249,522	--	--	571,687
Disposals / adjustments	--	--	--	--	--	--	231,713	--	1,178,359	--	--	1,410,072
Balance as at March 31, 2020	200,000	12,084,654	175,940,668	13,652,688	37,094,563	6,562,402	31,006,764	12,953,938	37,743,390	13,151,657	41,982,900	382,373,624
ACCUMULATED DEPRECIATION AND IMPAIRMENT												
As at April 1, 2018	--	6,712,524	16,758,251	12,500,248	23,347,044	4,855,746	27,281,442	9,657,092	38,017,725	8,320,654	30,495,600	177,946,326
Depreciation Charge for the year	--	819,624	2,875,515	404,685	2,901,293	614,881	1,711,726	1,237,647	1,382,898	1,020,974	1,136,750	14,105,993
Disposals / adjustments	--	--	--	--	26,301	--	450,282	--	1,935,266	--	--	2,411,849
Balance as at March 31, 2019	--	7,532,148	19,633,766	12,904,933	26,222,036	5,470,627	28,542,886	10,894,739	37,463,357	9,341,628	31,632,350	189,640,470
Depreciation Charge for the year	--	524,010	3,424,514	353,545	2,763,702	610,371	1,575,051	539,759	780,083	959,091	1,136,750	12,686,876
Disposals / adjustments	--	--	--	--	--	--	208,280	--	1,178,360	--	--	1,386,640
Balance as at March 31, 2020	--	8,056,158	23,058,280	13,258,478	29,005,738	6,080,998	29,909,657	11,434,498	37,067,080	10,300,719	32,769,100	200,940,706
NET CARRYING VALUE at March 31, 2020	200,000	4,028,496	152,882,388	394,210	8,088,825	481,404	1,097,107	1,519,440	676,310	2,850,938	9,213,800	181,432,918
NET CARRYING VALUE at March 31, 2019	200,000	4,552,506	156,306,902	740,755	10,863,827	1,091,775	2,546,426	1,901,899	1,206,870	3,810,029	10,350,550	193,571,539

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
NOTE 11 - PROPERTY, PLANT AND EQUIPMENT

Particulars	Grant Assets						Total of Tangible & Intangible Assets
	Office Equipment	Furniture & Fixture	Computer & Printers	Electrical Installations & Equipments	Total	INTANGIBLE ASSETS Computer Softwares	
COST							
As at April 1, 2018	7,616,638	1,021,551	432,000	867,660	9,937,849	55,105,151	446,564,902
Additions	--	--	--	--	--	2,400,000	6,519,786
Disposals / adjustments	117,700	--	--	--	117,700	--	2,547,379
Balance as at March 31, 2019	7,498,938	1,021,551	432,000	867,660	9,820,149	57,505,151	450,537,309
As at April 1, 2019	7,498,938	1,021,551	432,000	867,660	9,820,149	57,505,151	450,537,309
Additions	--	--	--	--	--	616,323	1,188,010
Disposals / adjustments	--	--	--	--	--	1,410,072	1,410,072
Balance as at March 31, 2020	7,498,938	1,021,551	432,000	867,660	9,820,149	58,121,474	450,315,247
ACCUMULATED DEPRECIATION AND IMPAIRMENT							
As at April 1, 2018	5,619,614	1,011,009	432,000	860,370	7,922,993	46,502,255	232,371,574
Depreciation Charge for the year	587,895	2,622	--	1,857	592,374	4,478,761	19,177,128
Disposals / adjustments	117,670	--	--	--	117,670	--	2,529,519
Balance as at March 31, 2019	6,089,839	1,013,631	432,000	862,227	8,397,697	50,981,016	249,019,183
Depreciation Charge for the year	565,593	1,738	--	1,233	588,564	4,251,482	17,526,922
Disposals / adjustments	--	--	--	--	--	1,386,640	1,386,640
Balance as at March 31, 2020	6,675,432	1,015,369	432,000	863,460	8,986,261	55,232,498	265,159,465
NET CARRYING VALUE at March 31, 2020	823,506	6,182	--	4,200	833,888	2,888,976	185,155,782
NET CARRYING VALUE at March 31, 2019	1,409,099	7,920	--	5,433	1,422,452	6,524,135	201,518,126

- Includes Nagpur office premises having WDV INR 10,740,940/-, which has been mortgaged in favour of a Bank for non fund based limit of INR 200,000,000/-
- Includes office premises at Kubera Chambers Shivajinagar Pune having WDV as on 31st March, 2020, INR 13,264,767/-, which has been mortgaged on in favour of a Bank for loan of INR 90,000,000/- obtained against property
- Includes leasehold office premises of INR 2,804,374/-
- Out of above, depreciation and amortisation of INR 16,938,358/- has been charged against Profit and balance INR 588,564/- has been reduced from respective Grants

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 12 - NON CURRENT INVESTMENTS

Particulars	As at 31 st March 2020 INR	As at 31 st March 2019 INR
Investments (At Cost)		
Investment in Subsidiaries - (Trade, Unquoted, at cost, Fully paid)		
A) In Equity Instruments:		
a) Current Year NIL (5,100) Equity shares of MITCON Multiskills Ltd. of INR 10/- each	--	18,923
Less : Provision for Diminution in value of investment	--	(18,923)
b) 12,000,049 (12,000,049) Equity shares of Kishna Windfarms Developers Private Limited (KWDPL) of INR 10/- each#	120,388,690	120,388,690
c)10,000 (10,000) Equity shares of MITCON Sun Power Limited of INR 10/- each	100,000	100,000
d) 10,000 (10,000) Equity shares of MITCON Forum for Social Development of INR 10/- each(refer NOTE 40)	1	1
e) 10,000 (10,000) Equity shares of MITCON Advisory Services Limited of INR 10/- each	100,000	100,000
f) 10,300,000 (2,300,000)Equity shares of MITCON Trusteeship Services Private Limited of INR 10/- each.	103,000,000	23,000,000
g) 1,321,526 (Nil) Equity shares of Shrikhande Consultants Private Limited (at premium of INR 42/- per share)of INR 10/- each refer NOTE 43	68,719,352	--
B) In debentures		
10.50% 75,00,000 (75,00,000) Compulsarily Fully Convertible Debentures of Krishna Windfarms Developers Private Limited of INR 10/- each ##	75,000,000	75,000,000
C) Investment in Associates - (Trade, Unquoted, Fully paid)		
In Equity Instruments:		
a) 4,900 (4,900) Equity shares of MITCON Insolvency Professional Services Private Limited of INR 10/- each (invested at the premium of INR 2250/- per share)	11,074,000	11,074,000
D) Other Investments :		
Non-trade, Unquoted.		
a) In Government Securities -		
National Savings Certificates	75,000	75,000
b) In others		
40 (Nil) Equity shares of The Greater Bombay Coop. Bank Limited of INR 25/- each fully paid up.	1,000	--
Total	378,458,043	229,737,691

Aggregate amount of unquoted investments INR 378,458,043/- (INR 229,737,691/-)

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 13 - LONG TERM LOANS AND ADVANCES

Particulars	As at 31 st March 2020 INR	As at 31 st March 2019 INR
Unsecured, Considered Good		
Share Application money to Subsidiary	--	80,000,000
Security Deposits	25,711,637	25,631,637
Prepaid Expenses	3,248	28,118
Loans to Incubatee	369,440	1,390,653
Loans to subsidiaries		
Krishna Windfarms Developers Private Limited	143,449,525	148,149,525
MITCON Sun Power Limited	116,000,000	9,600,000
MITCON Solar Alliance Limited	--	170,917,327
MITCON Advisory Services Private Limited	50,000	--
Interest on loans to subsidiaries		
Krishna Windfarms Developers Private Limited	21,269,856	24,650,634
MITCON Sun Power Limited	4,839,224	376,136
MITCON Trusteeship Services Private Limited	104,425	--
MITCON Solar Alliance Limited	--	4,876,191
MITCON Advisory Services Private Limited	3,658	--
Total	311,801,013	465,620,221

NOTE 14 - INVENTORY

Particulars	As at 31 st March 2020 INR	As at 31 st March 2019 INR
Inventory of Project consumables	59,467,704	--
Total	59,467,704	--

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 15 - TRADE RECEIVABLES

Particulars	As at 31 st March 2020 INR	As at 31 st March 2019 INR
Outstanding for a period exceeding six months from the date they are due for payment:		
Unsecured considered good #	39,171,931	38,900,083
Unsecured considered doubtful	1,272,873	2,320,928
Less : Provision for Doubtful Debts	(1,272,873)	(2,320,928)
	39,171,931	38,900,083
Others - Unsecured considered good ##	118,684,904	82,094,750
Total	157,856,835	120,994,833

- Includes INR 300,640/- (7,910,859/-) receivable from related parties.

- Includes INR 1,953,810/- (599,589/-) receivable from related parties.

NOTE 16 - CASH AND CASH EQUIVALENTS

Particulars	As at 31 st March 2020 INR	As at 31 st March 2019 INR
Cash and Cash Equivalents		
(a) Cash on Hand	623,699	678,566
(b) Cheques, Drafts on Hand	--	9,102,631
(c) Balances with Bank		
Balances with banks (including deposits with less than 3 months maturity)	34,649,009	52,697,855
Other Bank Balances		
Margin Money for Bank Guarantees / LC #	67,646,854	29,112,930
Earmarked Balances (in respect of TDB Grant)	2,092,592	951,507
Total	105,012,154	92,543,489

- Includes Deposit of INR 23,703,888/- (INR 12,500,000/-) on which charge has been created and pledged in favour of a Bank for non fund based limit of INR 200,000,000/- (INR 50,000,000/-) and INR 43,942,966/- are margin money for issuing Letter of Credit (LC).

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 17 - SHORT TERM LOANS AND ADVANCES

Particulars	As at 31 st March 2020 INR	As at 31 st March 2019 INR
Unsecured, Considered Good Prepaid Expenses	4,572,870	4,731,511
Advance to Others	894,101	3,417,642
Security Deposits	17,948,651	10,015,970
Travel Advances to Staff	629,312	1,262,071
Income Tax net of Provisions	59,930,090	49,561,634
Loans to Incubatee	1,000,000	1,000,000
Total	84,975,024	69,988,828

NOTE 18 - OTHER CURRENT ASSETS

Particulars	As at 31 st March 2020 INR	As at 31 st March 2019 INR
Interest Accrued on Investment	46,072	32,030
Total	46,072	32,030

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 19 - REVENUE FROM OPERATIONS

Particulars	For the year ended 31 st March, 2020 INR	For the year ended 31 st March, 2019 INR
Sale of Services	358,457,648	579,808,902
Other Operating Revenues	3,568,650	3,693,009
Total	362,026,298	583,501,911

Details of Sale of Services :	For the year ended 31 st March, 2020 INR	For the year ended 31 st March, 2019 INR
Consultancy Fees	141,503,936	176,175,927
Project services	42,520,000	260,924,042
Vocational Training	139,329,555	115,288,963
IT Courses	13,017,112	13,770,376
Laboratories	22,087,045	13,649,594
Total	358,457,648	579,808,902
Details of Other Operating Revenue :		
Income from Wind Power Generation (Net of rebate)	3,568,650	3,693,009
Total	3,568,650	3,693,009

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 20 - OTHER INCOME

Particulars	For the year ended	For the year ended
	31 st March, 2020	31 st March, 2019
	INR	INR
Interest Income from		
- Bank Deposits	1,734,040	5,657,346
- Inter corporate Loan to related parties	31,530,081	26,260,419
- Other	51,409	120,043
- Interest on Debentures from a subsidiary	7,896,577	3,926,714
Lease Rental Income	7,380,330	3,565,016
Sundry Provisions and Credit Balances no longer required, written back	15,522,082	6,710,063
Recovery of Bad Debts	770,348	602,426
Gain on redemption of MF investments	--	1,923,605
Other non-Operating Income	286,023	833,539
Total	65,170,890	49,599,171

NOTE 21 - OPERATING COSTS

Particulars	For the year ended	For the year ended
	31 st March, 2020	31 st March, 2019
	INR	INR
Expenses on IT, VTP Training Activities	95,976,195	80,287,610
Professional Fees	45,915,101	47,145,771
Project Costs	2,788,058	229,927,737
Total	144,679,354	357,361,118

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 22 - EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended 31st March, 2020 INR	For the year ended 31st March, 2019 INR
Salaries and Wages	104,219,019	104,350,396
Contribution to Provident and Other Funds	9,829,612	9,478,260
Contribution to Gratuity & Leave encashment	4,614,623	5,911,216
Staff Welfare Expenses	2,982,962	3,021,384
Total	121,646,216	122,761,256

NOTE 23 - FINANCE COSTS

Particulars	For the year ended 31st March, 2020 INR	For the year ended 31st March, 2019 INR
Interest Expense	9,019,330	3,788,749
Bank charges and Commission	2,253,823	1,411,624
Total	11,273,153	5,200,373

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
NOTE 24 - OTHER EXPENSES

Particulars	For the year ended 31 st March, 2020 INR	For the year ended 31 st March, 2019 INR
Power and Fuel	5,696,633	5,907,515
Office Rent	6,223,753	5,967,333
Repairs and Maintenance -		
- Buildings	1,443,691	1,412,628
- Office & Other Equipment	3,154,939	3,477,733
- Others	1,734,802	810,685
Insurance	1,303,557	1,531,106
Rates & Taxes	499,538	563,402
Auditor's Remuneration		
Statutory Audit	1,062,000	600,000
Certification	24,500	29,750
Administrative and General Expenses		
Travelling Expenses	17,986,012	21,876,726
Printing, Stationery and computer consumable	8,904,414	9,539,746
Advertisement	2,120,934	3,142,645
Security Expenses	2,163,177	2,118,331
Telephone, Mobile Expenses	1,964,503	2,440,598
Business Promotion Expenses	2,162,403	1,834,248
Registration and Legal Fees	791,987	1,812,309
Postage , Fax and Courier	1,165,070	1,413,480
Books & Periodicals Subscriptions and Membership Fees	2,096,655	691,292
Housekeeping	975,680	997,892
Laboratory Consumables	152,545	520,689
Directors Sitting Fees	680,000	480,000
Expenditure towards Corporate Social Responsibility (CSR) activities	--	2,394,245
Provision for Doubtful Debts	1,272,873	2,320,928
Bad Debts written off	10,412,561	17,375,259
Donations	5,000	30,000
General Expenses	3,159,149	3,329,867
Total	77,156,376	92,618,407

MITCON CONSULTANCY & ENGINEERING SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
25 Utilisation of Incubatee Grant

- a. Technology Development Board (TDB), Govt. of India has approved scheme 'Seed Support System for Start-ups in Incubators' for providing financial assistance as seed support for start-ups in the MITCON incubator as growth oriented initiative between the TDB and MITCON. The scheme is to make available early stage financial assistance as seed support for start-up units located at the MITCON incubator for further development and pre-commercialization of technologies. Accordingly MITCON has received grant of INR 4,000,000/- from TDB during the year ended 31st March, 2012. Term Loan disbursed and outstanding to incubatees aggregating to INR 1,369,440/- outstanding as on 31st March, 2020 is classified as current / non current assets. Refund to TDB / Disbursement against this grant has been deducted from Grant received. Grant remaining unutilised aggregating to INR 4,909,125/- being repayable on demand is classified under current liability.
- b. Interest received on deployment of unutilised grant amount and interest received on loans disbursed to incubatee, is credited to grant (net of taxes).

26 Contingent liability not provided for

Particulars	Year ended	
	31 st March, 2020 INR	31 st March, 2019 INR
a) Guarantees given by bankers on behalf of the Company		
- To Customers	59,117,971	31,720,191
b) Corporate Guarantee issued by the Company on behalf of Krishna Windfarms Developers Private Limited (KWDPL) for loan availed by KWDPL from L & T Infrastructure Finance Company Limited.	--	420,000,000
c) Corporate Guarantee issued by the Company on behalf of Krishna Windfarms Developers Private Limited (KWDPL) for loan availed by KWDPL from a Bank.	420,000,000	--
d) Financial Guarantee issued by the Company on behalf of Krishna Windfarms Developers Private Limited (KWDPL) to maintain Debt Service Reserve Account (DSRA) for loan availed from a Bank.	14,518,911	--
e) Corporate Guarantee issued by Company on behalf of MITCON Solar Alliance Ltd.(MSAL) to a Bank for Term loan availed by MSAL.	150,000,000	--
f) Corporate Guarantee issued by Company to a Bank, for overdraft / non fund base limit availed by subsidiary , Shrikhande Consultants Pvt Ltd. (SCPL)	150,000,000	--
g) An ex-employee has filed a claim before First Labour Court, Pune. The company has filed written statement for dismissal of the claim.	--	164,000

h) Claims against the company not acknowledged as debt -- --
 - Arbitration petition in respect of money claim is pending before Arbitration Tribunal. The company has made counter claims against the claimant before the said Tribunal. Arbitration gave its award partial against the company, Company preferred to challenge the same in District Court, Pune, pending proceedings, the liability (if any) is not ascertainable

27 Payments to Auditors - (Net of GST)

	Year ended	
	31 st March, 2020	31 st March, 2019
	INR	INR
For Audit	1,062,000	600,000
For Certification	24,500	29,750
Total	1,086,500	629,750

28 a Value of Imported and indigenous raw material & components consumed

	31 st March, 2020		31 st March, 2019	
	% of total consumption	Amount	% of total consumption	Amount
Imported	72.87%	40,720,517	63.73%	106,686,773
Indigenous	27.13%	15,163,099	36.27%	60,728,463
Total	100%	55,883,616	100%	167,415,236

29 Expenditure and earnings in foreign currencies

Expenditure in foreign currency	Year ended	
	31 st March, 2020	31 st March, 2019
	INR	INR
CIF Value of import	40,720,517	--
Consulting Fees	3,883,275	2,046,084
Travelling expenses	371,364	427,452
Software Licence fees	--	381,710
Total	44,975,156	2,855,246

Earning in foreign currency	Year ended	
	31 st March, 2020 INR	31 st March, 2019 INR
Professional fees	13,412,656	15,311,807
Total	13,412,656	15,311,807

- 30 Micro, Small and Medium Enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro, Small and Medium Enterprises, which are outstanding for more than the stipulated period are given below:

	Particulars	31 st March, 2020	31 st March, 2019
a	Dues remaining unpaid as at		
	Principal	1,070,801	1,209,067
	Interest on the above	--	--
b	Amount of payment made to supplier beyond the appointed day during the year		
	Principal paid beyond the appointed date	--	--
	Interest paid in terms of Section 16 of the Act	--	--
c	Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	--	--
d	Amount of interest accrued and remaining unpaid as at	--	--
e	Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	--	--

- Based on the documents / information available with the Company, there were no acknowledged dues to suppliers covered under The Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act).

31 Disclosure pursuant to Accounting Standard (AS 15) - Revised 2005 "Employee Benefits"

a) Defined contribution plans:

The company has recognized the following amounts in the Statement of Profit & Loss for the year :

- Contribution to employees provident fund INR 6,780,047/- (INR 6,221,138/-)
- Contribution to employees family pension Fund INR.2,158,226/- (INR2,155,092/-)

b) Defined benefit plans - Gratuity

The company makes annual contribution to the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part there of in excess of 6 month. Vesting occurs only upon completion of 5 years of service except in case of death or permanent disability. The present value of defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at the balance sheet date.

i) Reconciliation of opening and closing balances of the Present Value of the defined benefit obligation:	Year ended	
	31 st March, 2020	31 st March, 2019
	INR	INR
Present Value of defined benefit obligation at the beginning of the year	24,386,227	21,721,635
Interest cost	1,722,419	1,548,924
Current service cost	2,806,111	2,731,924
past service cost	--	--
Actuarial losses / (gains)	322,233	2,111,011
Benefits paid	(3,445,626)	(3,727,267)
Present value of defined benefit obligation at the close of the year	25,791,364	24,386,227

ii) Changes in the fair value of Plan Assets and the reconciliation thereof:	Year ended	
	31 st March, 2020	31 st March, 2019
	INR	INR
Fair value of plan assets at the beginning of the year	21,215,839	23,340,845
Add :expected return on plan assets	1,578,956	1,683,022
Add / (less) : actuarial (losses) / gains	(45,193)	(82,035)
Add : contributions by employer	1,500,000	200,000
Less: benefits paid	(3,445,626)	(3,727,267)
Less: mortality charges and taxes	(289,115)	(198,726)
Fair value of plan assets at the close of the year	20,514,861	21,215,839
Actual Return on Plan Assets	1,533,763	1,600,987

iii) Amount recognized in the Balance Sheet:	Year ended	
	31 st March, 2020	31 st March, 2019
	INR	INR
Present Value of Obligation as at the end of year	25,791,364	24,386,227
Fair Value of Plan Assets as at the end of year	20,514,861	21,215,839
Funded Status	(5,276,503)	(3,170,388)
Current Liability	5,276,503	3,170,388
Non - Current Liability	20,514,861	21,215,839
Unrecognised Actuarial (gains) / losses	--	--
Net Asset / (Liability)	(5,276,503)	(3,170,388)

Fair value of plan assets, in excess of present value of obligations, being adjustable against future contributions is recognised in the books of account.

iv) Amounts recognised in the Statement of Profit and Loss are as follows:	Year ended	
	31 st March, 2020	31 st March, 2019
	INR	INR
Current service cost	2,806,111	2,731,924
Past Service Cost	--	--
Interest cost	1,722,419	1,548,924
Expected return on plan assets	(1,578,956)	(1,683,022)
Curtailment cost / (Credit)	--	--
Settlement Cost / (Credit)	--	--
Net Actuarial (Gain) / Loss recognised in the year	367,426	2,193,046
Expenses Recognised in the Statement of Profit & Loss at the end of year	3,317,000	4,790,872

v) Amount for the current period :	Year ended	
	31 st March, 2020	31 st March, 2019
	INR	INR
Present value of obligation	25,791,364	24,386,227
Plan assets	20,514,861	21,215,839
Surplus / (Deficit)	(5,276,503)	(3,170,388)

vi) Broad categories of Plan Assets as a percentage of total assets as at	Year ended	
	31 st March, 2020	31 st March, 2019
	%	%
Insurer managed funds	100%	100%
Total	100%	100%

vii) Actuarial Assumptions :	Year ended	
	31 st March, 2020	31 st March, 2019
	%	%
Discount rate	6.70%	7.60%
Rate of increase in Compensation levels	9.50%	9.50%
Rate of return on plan assets	7.80%	7.80%
Expected Average remaining working lives of employees (years)	7.75	7.82

- c) The company provides for accumulation of compensated absences by its employees. The employees can carry forward a portion of the unutilised compensated absences and utilise it in future periods to receive cash in lieu thereof as per company policy. The company records an

obligation for compensated absences in the period in which the employee renders the service that increases this entitlement. The total liability recorded by the company towards this benefit as at 31 March, 2020 is INR 9,904,559/- (INR 14,203,469/-).

- 32 The Company has entered into operating lease arrangements for office space. Lease arrangements provide for cancellation by either of the parties and also contain a clause for renewal of the lease agreement. Lease payments and receipts on cancellable operating lease arrangements debited / credited to Statement of Profit and Loss are as under.

	Year ended	
	31 st March, 2020 INR	31 st March, 2019 INR
Cancellable leases		
Lease payments debited to the Statement of Profit and Loss		
Lease rent for office	6,223,753	5,907,815
Lease receipts credited to the Statement of Profit and Loss		
Lease rent for office	7,380,330	3,565,016

- 33 Related Party Disclosures Under Accounting Standard 18 - "Related Party Disclosures", have been identified on the basis of representation made by the Management and taken on record by the Board of Directors and relied upon by the auditors. Disclosures of transactions with Related Parties are as under :

a) **Related Parties**

Subsidiary of Company

Krishna Windfarms Developers Private Limited (KWDPL) Wholly owned
 MITCON Sun Power Limited (MSPL) wholly owned
 MITCON Forum for Social Development (MFSD) wholly owned
 MITCON Trusteeship Services Limited (MTSPL) wholly owned
 MITCON Advisory Services Private Limited (MVAPL) wholly owned
 Shrikhande Consultants Private Limited (SCPL)

Subsidiary of MSPL

MITCON Solar Alliance Limited (MSAL)

Associate :

MITCON Insolvency Professional Services Private Limited (MIPSPL)

Related Party where control exists:

Mitcon Foundation (Charitable Trust) (Common Managing Director and Managing Trustee)

Key Management personnel :

Dr. Pradeep Bavadekar, Managing Director, Mr Ram Mapari, Chief Financial Officer, Mrs. Ankita Agarwal, Company Secretary.

b) Transactions with Related Parties :

Sr. No.	Nature of transactions / Name of Related Party	2019-20 INR	2018-19 INR
I	Subsidiary		
	MITCON Forum for Social Development (MFSD)		
	Contribution to Equity (10,000 shares of INR 10/- each)	--	1
	Rent income (net of GST)	120,000	80,000
	Income	7,423,268	--
	Training expenses - contract	21,288,356	9,591,101
	MITCON Trusteeship Services Limited (MTSPL)		
	Contribution to Equity (2,300,000 shares of INR 10/- each)	--	23,000,000
	Share Application Money paid	--	80,000,000
	Rent income (net of GST)	170,740	--
	Interest Charged on Inter Corporate Loan	116,029	--
	Expenses incurred (net of GST)	2,403,483	203,655
	MITCON Advisory Services Pvt Ltd. (Previously known as MITCON Valuers and Advisors Private Limited)		
Contribution to Equity (10,000 shares of INR 10/- each)	--	100,000	
Rent income (net of GST)	20,000	60,000	
Interest Charged on Inter Corporate Loan	3,658	--	
Expenses incurred (net of GST)	11,463	162,100	
Krishna Windfarms Developers Private Limited (KWDPL)			
Income from Project Services	--	8,497,064	
Rent income (net of GST)	180,000	180,000	
Inter Corporate Loan disbursed		--	
Interest Charged on Inter Corporate Loan & Debentures	23,116,009	24,351,212	
Corporate Guarantees issued to financial institution for loan availed by KWDPL.	--	420,000,000	
Corporate Guarantees issued to a Bank for loan availed by KWDPL.	420,000,000	--	
IFinancial Guarantee issued by the Company to maintain Debt Service Reserve Account (DSRA) on behalf of Krishna Windfarms Developers Pvt Ltd. (KWDPL) for loan availed by KWDPL from a Bank .	14,518,911	--	
Contribution to Rights Equity Issue (49 shares of INR 10/- each)	--	490	

	Conversion of existing loan into debentures (10.50% Compulsarily Convertible Debentures - 75,00,000 debentures of INR 10/- each)	--	75,000,000
	MITCON Solar Alliance Limited (MSAL)		
	Income from Project Services	1,000,000	231,700,980
	Rent income (net of GST)	120,000	100,000
	Inter Corporate Loan disbursed	--	270,917,327
	Corporate Guarantees issued to a Bank for loan availed by MSAL.	150,000,000	--
	Interest Charged on Inter Corporate Loan	11,231,973	5,417,992
	Expenses incurred (net of GST)	1,843,806	--
	MITCON Sun Power Limited (MSPL)		
	Contribution to Equity (10,000 shares of INR 10/- each)	--	100,000
	Inter Corporate Loan disbursed	--	9,600,000
	Interest Charged on Inter Corporate Loan	4,958,989	417,929
	Rent income (net of GST)	120,000	110,000
	Expenses incurred (net of GST)	452,522	33,234
	Shrikhande Consultants Pvt Ltd		
	Corporate Guarantees issued to a Bank , for overdraft / non fund base limit	150,000,000	--
	Service Charges (net of GST)	25,000	--
II	Associates :		
	MITCON Megaskill Centers Private Limited (MMCPL)		
	Reimbursement of expenses received (net of taxes)	--	1,055,656
	MITCON Insolvency Professional Services Private Limited (MIPSPL)		
	Contribution to Equity (4,900 shares of INR 10/- each including premium of INR 11,025,000/-)	--	11,074,000
	Receipt of Security Deposit	--	10,000,000
	Consultancy fees	519,052	--
	Rent income (net of GST)	105,000	105,000
	Reimbursement of expenses received (net of taxes)	--	321,803
III	Related Party where significant influence exists:		
	MITCON Foundation		
	Training fees received (net of Taxes)	1,676,701	3,000,000
	Project Consultancy fees	5,536,875	--

IV	Remuneration to Director Mr. Anand Chalwade, professional fees (net of GST)	2,000,000	--
V	Key Management Personnel (KMP) Dr. Pradeep Bavadekar A) Remuneration # Salary Contribution to Provident Fund Super Annuation Fund and others B) Dividend	7,380,000 770,400 963,000 560,000	7,140,000 737,295 921,618 560,000
VI	Outstanding as on 31st March		
a	Accounts Receivable		
	Krishna Windfarms Developers Private Limited.		
	Towards Project Services	-	7,910,859
	Towards Inter Corporate Loan	143,449,525	148,149,525
	Towards Interest Charged on Inter Corporate Loan	21,269,856	24,650,634
	Towards Rent	53,100	-
	MITCON Trusteeship Services Limited (MTSPL)		
	Towards Expenses	678,732	203,655
	MITCON Advisors Services Private Limited (MVAPL)		
	Towards Expenses	155,500	232,900
	MITCON Sun Power Limited (MSPL)		
	Towards Inter Corporate Loan disbursed	1,160,000,000	9,600,000
	Towards Interest Charged on Inter Corporate Loan	4,839,224	376,136
	Towards Rent	94,400	129,800
	Towards Expenses	--	33,234
	MITCON Insolvency Professional Services Private Limited (MIPSPL)		
	Towards Expenses /fees	612,482	472,462
	MITCON Solar Alliance Limited		
	Towards Inter Corporate Loan disbursed	--	170,917,327
	Towards Interest Charged on Inter Corporate Loan		4,876,191
	Towards Rent	11,800	--
	Shrikhande Consultants Pvt Ltd		
	Towards Service Charges	29,500	--
	MITCON Forum for Social Development		
	Towards Rent	11,800	--

b	Accounts Payable		
	Dr. Pradeep Bavadekar - Remuneration Payable	367,942	352,050
	MITCON Forum for Social Development (MFSD)		
	Towards Training Activities	4,080,379	7,464,368
	MITCON Insolvency Professional Services Private Limited (MIPSPL)		
	Towards Security Deposit	10,000,000	10,000,000
c	Investment in Debentures		
	Krishna Windfarms Developers Private Limited.		
	10.50% Compulsarily Convertible Debentures	75,000,000	75,000,000
d	Guarantees to Subsidiary		
	Krishna Windfarms Developers Private Limited.		
	Corporate Guarantees issued to a bank for loan availed by KWDPL from a Bank	420,000,000	--
	Financial Guarantee issued by the Company to maintain Debt Service Reserve Account (DSRA) on behalf of Krishna Windfarms Developers Pvt Ltd. (KWDPL) for loan availed by KWDPL from a Bank .	14,518,911	--
	Corporate Guarantees issued to a financial institution for loan availed by KWDPL from financial institution.	--	420,000,000
	Shrikhande Consultants Pvt Ltd		
Corporate Guarantees issued to a Bank, for overdraft / non fund base limit and office premises of Ahmedabd has been pledged with a Bank having WDV INR 22,572,495/- of the said limit	150,000,000	--	
MITCON Solar Alliance Ltd. (MSAL)			
Corporate Guarantees issued to a Bank for loan availed by MSAL.	150,000,000	--	

As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to the KMP are not included above.

34 In accordance with the Accounting Standard (AS -20) on "Earnings Per Share", computation of basic and diluted earnings per share is as under:

Particulars	Year ended	
	31 st March, 2020 INR	31 st March, 2019 INR
A <u>Earnings for the year</u>		
A.1 Net profit as per statement of profit and loss	40,611,149	31,341,586
A.2 Net adjusted loss for Diluted Earnings Per Share from operations	40,611,149	31,341,586
B <u>Weighted average number of equity shares for Earnings Per Share computation</u>		
B.1 Number of shares at the beginning of the year (nos)	12,100,000	12,100,000
B.2 Number of shares allotted during the year (nos)	1,321,526	--
B.3 Weighted Average Equity Shares allotted during the year	854,466	--
B.4 Number of Potential Equity Shares (nos) (Refer Note 39 (iv))		1,628,077
B.5 Weighted average Potential Equity Shares	--	35,684
<u>Weighted average number of equity shares for</u>		
B.5 (a) Basic Earnings Per Share (B1 + B3) (nos)	12,954,466	12,100,000
B.6 (b) diluted Earnings Per Share (B1 + B3 + B5) (nos)	12,954,466	12,135,684
C Earnings per share		
C.1 i) Basic (A1 / B5)	3.13	2.59
C.2 ii) Diluted (A1 / B6)	3.13	2.58
D face value per share	10	10

35 Balances of trade receivables and trade payables are subject to reconciliation and confirmation by respective parties.

36 Tuition fees received from MKCL

MITCON is a Training provider to Maharashtra Knowledge Corporation Limited (MKCL) for their MS-CIT and other courses. Fees of these training courses are directly collected by MKCL. On completion of these training programmes Tuition fees are shared by MKCL with the Company as per the Terms of Agreement. However as the Company's share of fees is not independently determinable by the Company prior to actual receipt thereof, these are accounted for on receipt basis.

37 Commitments:

	Year ended	
	31 st March, 2020	31 st March, 2019
	INR	INR
Estimated amount of contracts remaining to be executed and not provided for in these accounts (net of advance) in respect of purchase of :		
Tangible Fixed assets	--	487,550
Intangible Fixed assets	2,592,000	2,592,000

38 Segment Reporting

Based on the guiding principle given in the Accounting Standard-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the company's Primary Segments are.

1. Consultancy and Training
2. Project Services
3. Wind Power Generation

The above business segments have been identified considering :

- a. The nature of the products/ operation
- b. The related risks and returns
- c. The internal financial reporting systems of the organization.

Segment revenue, results, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and amounts allocated on a reasonable basis.

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
	INR	INR
Segment Revenue		
Consultancy and Training	315,937,648	318,884,860
Project Services	42,520,000	260,924,042
Wind Power Generation	3,568,650	3,693,009
Revenue from Operations	362,026,298	583,501,911
Segment Results :		
Profit(+)/Loss(-) before tax and interest from each segment		
Consultancy and Training	(37,955,364)	(26,408,320)
Project Services	38,660,920	19,171,263
Wind Power Generation	900,438	1,018,511
Total Segment Result	1,605,994	(6,218,546)
Unallocable income net of unallocable expenditure	31,855,360	13,634,649
Interest Income	33,315,530	35,964,522
Total	66,776,884	43,380,625
Less: Finance Cost	11,273,153	5,200,373
Total Profit Before Tax	55,503,731	38,180,252
Less Provision for Tax		
Current Tax	15,000,000	11,300,000
Deferred Tax	1,948,977	(1,198,144)
Excess provision for Taxation of Earlier years	(2,056,395)	(3,263,190)
Profit After Tax	40,611,149	31,341,586
Total carrying amount of segment assets		
Consultancy and Training	1,204,169,523	813,580,132
Project Services	69,389,304	356,504,536
Wind Power Generation	9,213,800	10,350,550
Total Segment assets	1,282,772,627	1,180,435,218
Total carrying amount of segment liabilities		
Consultancy and Training	201,441,709	232,441,349
Project Services	42,146,441	2,964,138
Wind Power Generation	--	--
Total Segment liabilities	243,588,150	235,405,487
Depreciation & Amortisation		
Consultancy and Training	15,801,608	17,448,004
Project Services	--	--
Wind Power Generation	1,136,750	1,136,750
Total Depreciation & Amortisation	16,938,358	18,584,754

Note: Windpower generation business is subject to Seasonal variations in winds, hence the results for the year are not necessarily comparable with the results of the previous years performance.

- i "KWDPL has during the year has refinanced Term Loan facility of INR 420,000,000 from a Bank and repaid its Term Loan of a financial institution. As security against this loan, the company has - (a) issued Corporate Guarantee of INR 420,000,000 in favour of a Bank ."
- ii The company has given intercorporate loan to MITCON Sun Power Limited (MSPL) during the year amounting to INR.106,400,000/- (INR 9,600,000/-) cumulative INR 116,000,000/- are outstanding and interest outstanding thereon is INR 4,839,224/-
- iii MITCON Solar Alliance Ltd (MSAL) during the year availed Term Loan of INR 150,000,000/- from a Bank and repaid the intercorporate loan of the Company. The Company issued Corporate Guarantee for the said loan INR INR 150,000,000/-.

The solar power projects of KWDPL, MSAL and MSPL are fully operational as on balance sheet date. Subsidiary KWDPL has refinanced its Term Loan of INR 420,000,000/- from a Bank and also MSAL has obtained loan from a Bank and replaced existing Lenders, got benefit of reduced finance cost to improve profitability. Based on certain estimates like future business plans, growth prospects ,the management is of the opinion that above stated inter corporate loans, interest on inter corporate loans and trade receivable are good and recoverable and investments in debenture and equity of the subsidiaries does not require any reduction in value of investment.

- 40 Para 5 of the Memorandum of Association of MITCON Forum for Social Development (MFSD) prohibits payment or transfer of profit to the member by way of dividend, bonus or otherwise. Para 10 of the Memorandum of Association of MFSD prohibits distribution of remaining assets of the company on winding up or dissolution to the members. As the company will not recover any amount from the investment made in MFSD in future, company has written down the value of investment in MFSD to INR 1/-
- 41 Provision for current tax is made on the basis of taxable profits computed for the current accounting period in accordance with provisions of the Income Tax Act, 1961. The company has estimated its income tax liabilities according to the Tax Laws. Management makes interpretation in terms of application of tax laws and rules to determine the possible outcome of tax provisions taken. Provision is made for income Tax annually, based on the tax liability computed after considering tax allowances and exemptions.
- 42 The Board of Directors have proposed final dividend of INR paise 20 only per equity share (2%) of INR 10 each for the financial year 2019-20 (INR 1/- per Equity Share)
- 43 During the year the Company has acquired 25,500 Equity shares of INR 10/- each fully paid of Shrikhande Consultants Private Limited (SCPL) for a consideration of INR 6,87,19,352 from the allottees against the swap of issue and allotment of 13,21,526 Equity shares of INR 10/-each fully paid at a premium of INR 42/-per share of the Company to the shareholders of Shrikhande Consultants Private Limited on proportionate ,preferential allotment and for consideration other than cash basis pursuant to Share Purchase and Subscription Agreement entered with the Company dated 21st February ,2019 duly approved vide special resolution passed in the General Meeting held on 23rd March 2019 with

prescribed conditions. Consequently on allotment of such shares being 51% stake of SCPL, SCPL has become the subsidiary of the Company with effect from 08/08/2019.

44 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible in to known amounts of cash that are subject to a insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

45 Corporate Social Responsibility (CSR) expenditure

As per section 135 of the Companies Act, 2013, amount required to be spent by the Company during the year ended March 31, 2020 is INR 862,443/- computed at 2% of its average net profit for the immediately preceding three financial years, on CSR. The CSR funds remained unspent during the year ended March 31, 2020.

46 Intangible assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. Intangible assets consist of rights under licensing agreement and software licences which are amortised over licence period which equates the economic useful life ranging between 2-5 years on a straight-line basis over the period of its economic useful life.

47 In the opinion of the Board, current assets / Loans and advances have valued for realisation in the ordinary course of business at least equal to the amount at which they are stated.

48 Current / Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- 1) the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- 2) the asset is intended for sale or consumption;
- 3) the asset/liability is held primarily for the purpose of trading;
- 4) the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- 5) the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- 6) in the case of a liability, the Company does not have an unconditional right to defer settlement have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

49 Investment in subsidiary and associate Companies

The Company has elected to recognize its investments in subsidiary and associate companies at cost.

- 50 "The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, Investments, Inventories, receivables and other current assets. Based on the above assessment the Company is of the view that carrying amounts of trade receivables are expected to be realizable. The Company has made detailed assessment of its liquidity position for the next one year .However, uncertainty caused in consultancy business by the current situation has resulted in delays in confirmation of customer orders and in executing the orders in hand and an increase in lead times in sourcing new business. The training segment has been affected due to this pandemic and shall continue for next 2-3 quarters.

Management believes that it has taken into account all the possible impact of known events arising from COVID 19 pandemic in the preparation of the standalone financial results. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration. The company will continue to monitor any material changes to future economic conditions."

- 51 Previous year figures are given in the brackets. Previous years figures have been re-grouped , reclassified and re-arranged wherever considered necessary to make them comparable with current year's figures.

Signatures to the Notes 1 to 51, forming part of the Financial Statements.

For and on behalf of the Board

Sd/-
Anand Chalwade
Director
(DIN: 02008372)

Sd/-
Dr. Pradeep Bavadekar
Managing Director
(DIN 00879747)

Sd/-
Ram Mapari
Chief Financial Officer

Sd/-
Ankita Agarwal
Company Secretary
M No. A49634

Date : 29th July, 2020

Place : Pune

